Selected Acquisition Report (SAR)

RCS: DD-A&T(Q&A)823-220

C-130J Hercules Transport Aircraft (C-130J)

As of FY 2017 President's Budget

Defense Acquisition Management
Information Retrieval
(DAMIR)

Table of Contents

Common Acronyms and Abbreviations for MDAP Programs

Acq O&M - Acquisition-Related Operations and Maintenance
ACAT - Acquisition Category
ADM - Acquisition Decision Memorandum
APB - Acquisition Program Baseline
APPN - Appropriation
APUC - Average Procurement Unit Cost
$B - Billions of Dollars
BA - Budget Authority/Budget Activity
Blk - Block
BY - Base Year
CAPE - Cost Assessment and Program Evaluation
CARD - Cost Analysis Requirements Description
CDD - Capability Development Document
CLIN - Contract Line Item Number
CPD - Capability Production Document
CY - Calendar Year
DAB - Defense Acquisition Board
DAE - Defense Acquisition Executive
DAMIR - Defense Acquisition Management Information Retrieval
DoD - Department of Defense
DSN - Defense Switched Network
EMD - Engineering and Manufacturing Development
EVM - Earned Value Management
FOC - Full Operational Capability
FMS - Foreign Military Sales
FRP - Full Rate Production
FY - Fiscal Year
FYDP - Future Years Defense Program
ICE - Independent Cost Estimate
IOC - Initial Operational Capability
Inc - Increment
JROC - Joint Requirements Oversight Council
$K - Thousands of Dollars
KPP - Key Performance Parameter
LRIP - Low Rate Initial Production
$M - Millions of Dollars
MDA - Milestone Decision Authority
MDAP - Major Defense Acquisition Program
MILCON - Military Construction
N/A - Not Applicable
O&M - Operations and Maintenance
ORD - Operational Requirements Document
OSD - Office of the Secretary of Defense
O&S - Operating and Support
PAUC - Program Acquisition Unit Cost

PB - President’s Budget
PE - Program Element
PEO - Program Executive Officer
PM - Program Manager
POE - Program Office Estimate
RDT&E - Research, Development, Test, and Evaluation
SAR - Selected Acquisition Report
SCP - Service Cost Position
TBD - To Be Determined
TY - Then Year
UCR - Unit Cost Reporting
U.S. - United States
USD(AT&L) - Under Secretary of Defense (Acquisition, Technology and Logistics)

Program Information

Program Name

C-130J Hercules Transport Aircraft (C-130J)

DoD Component

Air Force

Responsible Office

Mr. Anthony Zompetti
2275 D Street
Bldg. 16 Rm.149
Wright Patterson Air Force Base, OH 45433-7142

anthony.zompetti.1@us.af.mil

Phone: 937-255-7100
Fax: 937-255-3207
DSN Phone: 785-7100
DSN Fax: 785-3207
Date Assigned: July 1, 2013

References

SAR Baseline (Production Estimate)

Air Force Acquisition Executive (AFAE) Approved Acquisition Program Baseline (APB) dated October 25, 1996

Approved APB

Air Force Acquisition Executive (AFAE) Approved Acquisition Program Baseline (APB) dated April 25, 2007

Mission and Description

The C-130J Hercules Transport Aircraft (C-130J) is a medium-range, tactical airlift aircraft designed primarily for transport of cargo and personnel within a theater of operations. Variants of the C-130J perform other missions including rescue and recovery, air refueling, special operations, fire-fighting and weather reconnaissance.

The C-130J can carry more than 40,000 pounds of cargo (pallets or a varied number of wheeled vehicles) or be configured to carry up to 84 paratroopers. The enhanced cargo handling system reduces crew workload and can be quickly adapted to accommodate any combination of passenger, cargo or aero-medical airlift missions. Two primary methods of aerial delivery are used for equipment delivery: parachutes pulling the load from the aircraft; and the Container Delivery System that uses the force of gravity to pull supplies from the aircraft. The C-130J can also operate from austere landing zones with as little as 3,000 feet of dirt runway.

A stretched version of the C-130J offers aircrews 55 feet of cargo compartment length. The additional 15 feet in length over previous versions of the C-130 translates into 30% more useable volume for increased seating, litters, pallets or airdrop platforms thus providing a significant advantage in the reduction of sorties necessary for mission completion. The C-130J offers a greater value when compared to any other tactical airlifter.

Executive Summary

The C-130J Program Office continued to support warfighter requirements worldwide. Program Office efforts included continued management of all United States Government (USG) C-130J variant aircraft production and initial sparing, several USG specific modification programs, management of twelve FMS cases and an international development program for block upgrades for the C-130J fleet.

Lockheed Martin delivered a total of nineteen aircraft in CY 2015 to USG and FMS customers. Twenty-four USG and five FMS C-130J aircraft are estimated for delivery in CY 2016.

In CY 2015, the C-130J Program Office continued toward awarding a second Multi-Year Procurement (MYP II: 78 aircraft plus options) across FY 2014 through FY 2018 buy years. Due to prolonged MYP II negotiations, FY 2014 and FY 2015 obligations were behind OSD goals for most of the year. MYP II negotiations concluded on October 8, 2015. In November 2015, the C-130J Program Office issued two Undefinitized Contract Actions for the FY 2014 procurement (17 aircraft) and FY 2015 Advance Procurement for FY 2016 buys (28 aircraft). On November 6, 2015, the CAPE provided an updated independent estimate of savings for MYP II. The CAPE estimated the MYP II provided a substantial cost savings of 11.5% over annual year procurements. MYP II contract award occurred on December 30, 2015 following 30-Day Congressional Notification, which began on November 30, 2015.

The Army-led and funded, Extracted Container Delivery System – High Speed (formerly named the High Speed Container Delivery System) expanded the C-130J airdrop performance envelope and reduced the altitude required for airdrops. The Air Force released the initial capability in March 2014 and flight release for operational evaluation at Yuma Proving Grounds in January 2015. Based on the program success, U.S. Army Natick Soldier Systems and Air Mobility Command are continuing airdrop procedure and capability evaluation through FY 2016 for transition of the capability to follow-on airdrop programs and incorporation into operations.

In February 2015, a major fire completely destroyed the production facility of General Electric (GE) Dowty, the manufacturer of the C-130J's propeller blades. A robust effort was undertaken by GE Dowty, Lockheed Martin, Rolls-Royce, and the USG to mitigate the effects this catastrophic event would have on supporting the fielded C-130J fleet and the C-130J production line in Marietta, GA. The USG provided assets to GE Dowty and the C-130J production line to help further mitigate any effect the gap in blade production would have on the delivery of new C-130Js to the USG. To date, GE Dowty has been able to re-establish their propeller blade production capability and have shipped the first production blades to the C-130J production line to facilitate continued delivery of C-130J aircraft to the USG. Based upon projected yield of the production blades from the new facility, full catch-up (to include the payback of borrowed assets from the USG) will occur in September 2017.

International Collaborative Block Upgrade (BU) Programs:
The initial BU 8.1 program incorporates ten new capabilities with emphasis on the Civil Data Link, Automatic Dependent Surveillance Broadcast-Out, and Identification Friend or Foe Transponder Mode-5. The BU 8.1 program increased scope in July 2015 by adding seven high priority capabilities. BU 8.1 common core completion is estimated for August 2016.

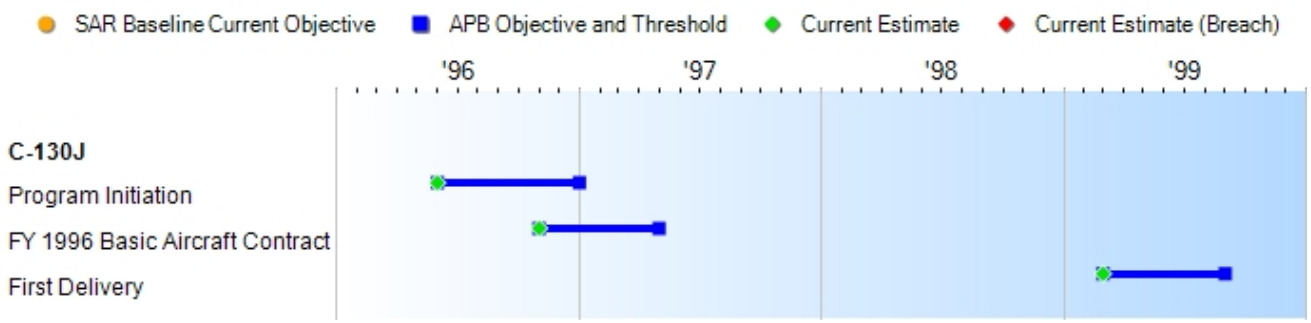
There are no significant software-related issues with this program at this time.

Threshold Breaches

APB Breaches		
Schedule		☐
Performance		☐
Cost	RDT&E	☐
	Procurement	☐
	MILCON	☐
	Acq O&M	☐
O&S Cost		☐
Unit Cost	PAUC	☐
	APUC	☐

Nunn-McCurdy Breaches		
Current UCR Baseline		
	PAUC	None
	APUC	None
Original UCR Baseline		
	PAUC	None
	APUC	None

Schedule



Schedule Events				
Events	**SAR Baseline Production Estimate**	**Current APB Production Objective/Threshold**		**Current Estimate**
Program Initiation	Jun 1996	Jun 1996	Jan 1997	Jun 1996
FY 1996 Basic Aircraft Contract	Nov 1996	Nov 1996	May 1997	Nov 1996
First Delivery	Oct 1997	Mar 1999	Sep 1999	Mar 1999

Change Explanations

None

Performance

Performance Characteristics				
SAR Baseline Production Estimate	**Current APB Production Objective/Threshold**		**Demonstrated Performance**	**Current Estimate**
Cockpit Crew (All Missions)				
2	2	2	2	2
Maximum Payload (lbs)				
39311	39311	38910	39311	39311
Normal Maximum Take-off Gross Weight (lbs)				
155000	155000	155000	155000	155000
Design Landing Gross Weight (lbs)				
130000	130000	130000	130000	130000
Take-off Distance at Max Take-off Weight over 50 ft Obstacle (ft)				
4530	4530	5142	4530	4530
Landing Distance at Design Landing Weight Over 50 ft Obstacle (ft)				
2500	2500	2550	2500	2500
Shortfield Capability				
Assault Take-off Distance (Takeoff Ground Roll) (ft)				
2700	2700	2700	2700	2700
Assault Landing Distance (Ground Roll) (ft)				
1800	1800	1800	1800	1800
IMC Airdrop Accuracy - Total System Error (ft)				
158	158	158	158	158
Cruising Speed at 100,000 lbs @25,000 ft (KTAS)				
342	342	315	342	342
Max Range with 42,764 lbs fuel & 29,722 lbs Payload (NM)				
3070	3070	2350	3070	3070
Environmental Factors - Operational Ambient Temperature (deg F)				
-40 -+120	-40 -+120	-40 -+120	-40 -+120	-40 -+120
Sortie Reliability (SR) (%)				
95.4	95.4	94.2	97.7%	94.2
Mission Capable Rate (MC) (%)				
84.0	84.0	81.0	76.8	81.0
Mean Repair Time (hrs)				
6.3	6.3	7.4	5.7hrs	7.4

Mean Time Between Removal (MTBR) (hrs)				
4.6	4.6	3.8	4.6 hrs	3.8
Mean-Time Between Maintenance Corrective Actions (MTBMC) (hrs)				
1.2	1.2	1.0	1.0 hrs	1.0

Requirements Reference

ORD AMC 205-91-IV/III-A (Revision II) dated January 21, 2005

Change Explanations

None

Acronyms and Abbreviations

% - Percent
deg F - degree Farenheit
ft - feet
hrs - Hours
IMC - Instrument Meteorological Conditions
KTAS - Knots True Airspeed
lbs - Pounds
NM - Nautical Miles

Track to Budget

RDT&E

Appn	BA	PE
Air Force	07	0401132F

Project	Name		
675061	C-130J	(Shared)	
675062	C-130J Trainers		(Sunk)

Appn	BA	PE
Air Force	04	0603852F

Project	Name	
644025	C-130J	(Sunk)

Procurement

Appn	BA	PE
Air Force	02	0401132F

Line Item	Name	
C130J	C-130J	(Sunk)

Appn	BA	PE
Air Force	05	0401132F

Line Item	Name	
C130J	C-130J Mods	(Shared)

MILCON

Appn	BA	PE
Air Force	01	0401132F

Project	Name
VARIOUS	Military Construction

Acq O&M

Appn	BA	PE
Air Force	01	0401132F

Project	Name		
021M	Operation & Maintenance - AF	(Shared)	(Sunk)

Cost and Funding

Cost Summary

Total Acquisition Cost							
Appropriation	BY 1996 $M			BY 1996 $M	TY $M		
	SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Current Estimate	SAR Baseline Production Estimate	Current APB Production Objective	Current Estimate
RDT&E	8.9	349.1	384.0	281.0	9.2	446.6	361.4
Procurement	721.8	13041.0	14345.1	11844.9	830.5	15910.8	15371.6
Flyaway	--	--	--	9728.8	--	--	12750.5
Recurring	--	--	--	9590.2	--	--	12560.5
Non Recurring	--	--	--	138.6	--	--	190.0
Support	--	--	--	2116.1	--	--	2621.1
Other Support	--	--	--	1096.6	--	--	1375.2
Initial Spares	--	--	--	1019.5	--	--	1245.9
MILCON	0.0	153.0	168.3	147.3	0.0	182.4	187.2
Acq O&M	0.0	45.0	49.5	17.3	0.0	51.7	23.7
Total	730.7	13588.1	N/A	12290.5	839.7	16591.5	15943.9

Total Quantity			
Quantity	SAR Baseline Production Estimate	Current APB Production	Current Estimate
RDT&E	0	0	0
Procurement	11	168	169
Total	11	168	169

Quantity Notes

FY 2017 PB includes an Overseas Contingency Operations aircraft in FY 2017 to replace one lost in Afghanistan. The lost aircraft is included in the prior year totals. Beyond FYDP buys were reduced by one aircraft. Total aircraft procurement remains 169 aircraft.

Cost and Funding

Funding Summary

Appropriation Summary									
FY 2017 President's Budget / December 2015 SAR (TY$ M)									
Appropriation	Prior	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	To Complete	Total
RDT&E	301.5	18.6	14.8	16.3	8.8	0.7	0.7	0.0	361.4
Procurement	10865.3	920.8	296.6	123.5	156.5	140.9	143.5	2724.5	15371.6
MILCON	148.7	8.5	30.0	0.0	0.0	0.0	0.0	0.0	187.2
Acq O&M	23.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23.7
PB 2017 Total	11339.2	947.9	341.4	139.8	165.3	141.6	144.2	2724.5	15943.9
PB 2016 Total	11337.6	1024.5	580.5	416.5	322.6	142.0	594.0	1381.3	15799.0
Delta	1.6	-76.6	-239.1	-276.7	-157.3	-0.4	-449.8	1343.2	144.9

Quantity Summary										
FY 2017 President's Budget / December 2015 SAR (TY$ M)										
Quantity	Undistributed	Prior	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	To Complete	Total
Development	0	0	0	0	0	0	0	0	0	0
Production	0	137	14	3	0	0	0	0	15	169
PB 2017 Total	0	137	14	3	0	0	0	0	15	169
PB 2016 Total	0	137	14	5	3	2	0	4	4	169
Delta	0	0	0	-2	-3	-2	0	-4	11	0

Cost and Funding

Annual Funding By Appropriation

Annual Funding 3600 | RDT&E | Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	TY $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1995	--	--	--	--	--	--	5.1
1996	--	--	--	--	--	--	0.4
1997	--	--	--	--	--	--	1.0
1998	--	--	--	--	--	--	3.7
1999	--	--	--	--	--	--	--
2000	--	--	--	--	--	--	--
2001	--	--	--	--	--	--	--
2002	--	--	--	--	--	--	--
2003	--	--	--	--	--	--	1.8
2004	--	--	--	--	--	--	10.3
2005	--	--	--	--	--	--	23.0
2006	--	--	--	--	--	--	11.3
2007	--	--	--	--	--	--	30.2
2008	--	--	--	--	--	--	43.3
2009	--	--	--	--	--	--	24.5
2010	--	--	--	--	--	--	30.2
2011	--	--	--	--	--	--	24.5
2012	--	--	--	--	--	--	33.5
2013	--	--	--	--	--	--	16.0
2014	--	--	--	--	--	--	18.2
2015	--	--	--	--	--	--	24.5
2016	--	--	--	--	--	--	18.6
2017	--	--	--	--	--	--	14.8
2018	--	--	--	--	--	--	16.3
2019	--	--	--	--	--	--	8.8
2020	--	--	--	--	--	--	0.7
2021	--	--	--	--	--	--	0.7
Subtotal	--	--	--	--	--	--	361.4

Annual Funding 3600 | RDT&E | Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	BY 1996 $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1995	--	--	--	--	--	--	5.1
1996	--	--	--	--	--	--	0.4
1997	--	--	--	--	--	--	1.0
1998	--	--	--	--	--	--	3.6
1999	--	--	--	--	--	--	--
2000	--	--	--	--	--	--	--
2001	--	--	--	--	--	--	--
2002	--	--	--	--	--	--	--
2003	--	--	--	--	--	--	1.6
2004	--	--	--	--	--	--	9.1
2005	--	--	--	--	--	--	19.8
2006	--	--	--	--	--	--	9.5
2007	--	--	--	--	--	--	24.7
2008	--	--	--	--	--	--	34.7
2009	--	--	--	--	--	--	19.4
2010	--	--	--	--	--	--	23.6
2011	--	--	--	--	--	--	18.8
2012	--	--	--	--	--	--	25.2
2013	--	--	--	--	--	--	11.8
2014	--	--	--	--	--	--	13.3
2015	--	--	--	--	--	--	17.7
2016	--	--	--	--	--	--	13.3
2017	--	--	--	--	--	--	10.3
2018	--	--	--	--	--	--	11.2
2019	--	--	--	--	--	--	5.9
2020	--	--	--	--	--	--	0.5
2021	--	--	--	--	--	--	0.5
Subtotal	--	--	--	--	--	--	281.0

Annual Funding 3010 | Procurement | Aircraft Procurement, Air Force							
Fiscal Year	Quantity	TY $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1994	2	66.8	--	--	66.8	--	66.8
1995	--	--	--	--	--	--	--
1996	5	225.2	--	--	225.2	8.2	233.4
1997	9	433.9	--	--	433.9	72.7	506.6
1998	7	352.8	2.9	--	355.7	92.0	447.7
1999	5	271.0	--	--	271.0	174.5	445.5
2000	1	67.0	--	--	67.0	73.1	140.1
2001	3	184.8	--	--	184.8	120.6	305.4
2002	5	365.8	--	--	365.8	73.2	439.0
2003	1	157.2	--	--	157.2	171.9	329.1
2004	4	380.6	9.6	--	390.2	83.2	473.4
2005	11	754.2	41.9	--	796.1	147.4	943.5
2006	12	682.9	4.8	15.8	703.5	257.7	961.2
2007	14	835.8	14.8	24.8	875.4	242.5	1117.9
2008	30	1653.2	25.5	37.9	1716.6	126.0	1842.6
2009	--	--	24.6	--	24.6	85.4	110.0
2010	4	296.5	--	5.6	302.1	138.2	440.3
2011	8	332.3	5.6	12.0	349.9	119.5	469.4
2012	1	65.8	12.6	4.4	82.8	10.8	93.6
2013	1	131.0	3.3	10.1	144.4	22.8	167.2
2014	6	565.6	0.4	8.9	574.9	64.8	639.7
2015	8	590.2	0.6	5.5	596.3	96.6	692.9
2016	14	790.5	29.2	21.5	841.2	79.6	920.8
2017	3	150.8	77.9	4.7	233.4	63.2	296.6
2018	--	--	78.9	4.7	83.6	39.9	123.5
2019	--	--	120.4	4.7	125.1	31.4	156.5
2020	--	--	132.5	--	132.5	8.4	140.9
2021	--	--	135.0	--	135.0	8.5	143.5
2022	8	779.5	165.5	4.9	949.9	89.7	1039.6
2023	7	726.3	185.0	4.9	916.2	46.3	962.5
2024	--	--	180.0	4.9	184.9	21.0	205.9
2025	--	--	160.0	4.9	164.9	21.7	186.6
2026	--	--	160.0	4.9	164.9	17.4	182.3
2027	--	--	90.0	4.9	94.9	12.9	107.8
2028	--	--	39.8	--	39.8	--	39.8
Subtotal	169	10859.7	1700.8	190.0	12750.5	2621.1	15371.6

Annual Funding 3010 | Procurement | Aircraft Procurement, Air Force							
Fiscal Year	Quantity	BY 1996 $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1994	2	66.7	--	--	66.7	--	66.7
1995	--	--	--	--	--	--	--
1996	5	218.6	--	--	218.6	8.0	226.6
1997	9	417.1	--	--	417.1	69.9	487.0
1998	7	336.4	2.8	--	339.2	87.7	426.9
1999	5	255.9	--	--	255.9	164.8	420.7
2000	1	62.3	--	--	62.3	68.0	130.3
2001	3	170.0	--	--	170.0	111.0	281.0
2002	5	332.7	--	--	332.7	66.6	399.3
2003	1	140.7	--	--	140.7	153.9	294.6
2004	4	332.0	8.4	--	340.4	72.5	412.9
2005	11	638.2	35.5	--	673.7	124.7	798.4
2006	12	563.6	4.0	13.0	580.6	212.7	793.3
2007	14	671.6	11.9	19.9	703.4	194.9	898.3
2008	30	1307.3	20.2	30.0	1357.5	99.6	1457.1
2009	--	--	19.1	--	19.1	66.5	85.6
2010	4	226.2	--	4.3	230.5	105.4	335.9
2011	8	249.6	4.2	9.0	262.8	89.8	352.6
2012	1	48.7	9.2	3.3	61.2	8.0	69.2
2013	1	94.9	2.4	7.3	104.6	16.6	121.2
2014	6	404.5	0.3	6.4	411.2	46.2	457.4
2015	8	416.5	0.4	3.9	420.8	68.2	489.0
2016	14	547.5	20.2	14.9	582.6	55.1	637.7
2017	3	102.5	52.9	3.2	158.6	43.0	201.6
2018	--	--	52.6	3.1	55.7	26.6	82.3
2019	--	--	78.7	3.1	81.8	20.5	102.3
2020	--	--	84.9	--	84.9	5.4	90.3
2021	--	--	84.8	--	84.8	5.3	90.1
2022	8	479.8	101.9	3.0	584.7	55.2	639.9
2023	7	438.5	111.5	3.0	553.0	28.0	581.0
2024	--	--	106.5	2.9	109.4	12.4	121.8
2025	--	--	92.9	2.8	95.7	12.6	108.3
2026	--	--	91.0	2.8	93.8	9.9	103.7
2027	--	--	50.3	2.7	53.0	7.1	60.1
2028	--	--	21.8	--	21.8	--	21.8
Subtotal	169	8521.8	1068.4	138.6	9728.8	2116.1	11844.9

Annual Funding 3300 | MILCON | Military Construction, Air Force	
Fiscal Year	**TY $M** **Total Program**
2002	10.4
2003	26.1
2004	26.2
2005	5.0
2006	--
2007	25.3
2008	--
2009	21.0
2010	4.5
2011	--
2012	--
2013	30.2
2014	--
2015	--
2016	8.5
2017	30.0
Subtotal	187.2

Annual Funding 3300 | MILCON | Military Construction, Air Force	
Fiscal Year	**BY 1996 $M**
	Total Program
2002	9.4
2003	23.2
2004	22.6
2005	4.2
2006	--
2007	20.3
2008	--
2009	16.4
2010	3.4
2011	--
2012	--
2013	21.8
2014	--
2015	--
2016	5.8
2017	20.2
Subtotal	147.3

Annual Funding 3400 | Acq O&M | Operation and Maintenance, Air Force	
Fiscal Year	**TY $M** **Total Program**
2003	6.8
2004	9.3
2005	7.6
Subtotal	23.7

Annual Funding 3400 | Acq O&M | Operation and Maintenance, Air Force	
Fiscal Year	**BY 1996 $M**
	Total Program
2003	5.1
2004	6.8
2005	5.4
Subtotal	17.3

Low Rate Initial Production

There is no LRIP for this program.

Foreign Military Sales

Country	Date of Sale	Quantity	Total Cost $M	Description
Australia	2/18/2014	0	47.7	FMS Case AT-D-QAY. Aircraft modifications only.
India	12/27/2013	6	1011.6	FMS Case IN-D-SAD
Saudi Arabia	2/6/2013	2	202.8	FMS Case SR-D-SAQ
Norway	7/20/2012	1	122.8	FMS Case NO-D-SAG To replace diverted USAF aircraft. Delivery slated for Air Mobility Command in CY 2015.
Norway	11/24/2011	0	30.5	FMS Case NO-D-QAQ. Capability upgrades only.
Australia	4/13/2010	0	30.5	FMS Case AT-D-QAB. Capability upgrades only.
Israel	3/25/2010	6	322.7	FMS Case IS-D-SAD Denotes 4 full aircraft + long lead for 2 aircraft.
Italy	12/1/2009	1	61.1	FMS Case IT-D-QAB. Capability upgrades only.
Denmark	4/22/2009	0	16.2	FMS Case DE-D-QOH. Capability upgrades only.
Iraq	9/14/2008	6	700.6	FMS Cases IQ-D-SAB, IQ-D-QAO, IQ-D-QAP, G8-D-QAB
India	1/31/2008	6	962.5	FMS Case IN-D-SAA
Norway	6/29/2007	4	491.3	FMS Case NO-D-SAF Amendment 5 signed on July 19, 2012 (drawdown) for closure, Period of Performance ended June 16, 2012.

Notes

The C-130J FMS Program Management Office continues to manage twelve FMS cases worth over $2.8B on behalf of eight countries. Existing case workload includes acquisition cases for the production, delivery, retrofit/modification, and/or sustainment for Saudi Arabia, India, Iraq, Israel, Denmark, Italy, Australia, and Norway.

Nuclear Costs

None

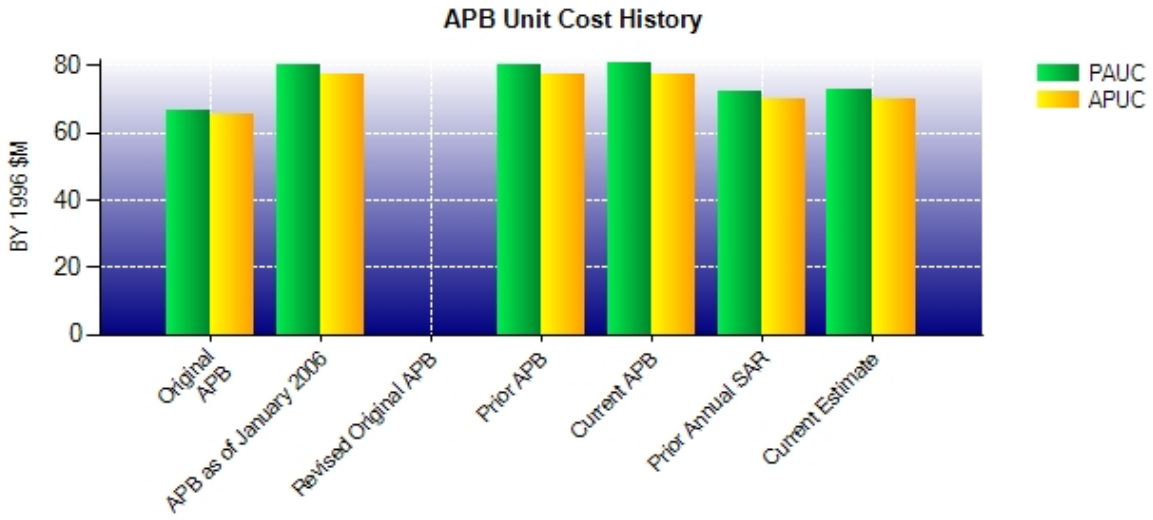
Unit Cost

Unit Cost Report

Item	BY 1996 $M Current UCR Baseline (Apr 2007 APB)	BY 1996 $M Current Estimate (Dec 2015 SAR)	% Change
Program Acquisition Unit Cost			
Cost	13588.1	12290.5	
Quantity	168	169	
Unit Cost	80.882	72.725	-10.09
Average Procurement Unit Cost			
Cost	13041.0	11844.9	
Quantity	168	169	
Unit Cost	77.625	70.088	-9.71

Item	BY 1996 $M Original UCR Baseline (Oct 1996 APB)	BY 1996 $M Current Estimate (Dec 2015 SAR)	% Change
Program Acquisition Unit Cost			
Cost	730.7	12290.5	
Quantity	11	169	
Unit Cost	66.427	72.725	+9.48
Average Procurement Unit Cost			
Cost	721.8	11844.9	
Quantity	11	169	
Unit Cost	65.618	70.088	+6.81

Unit Cost History



Item	Date	BY 1996 $M		TY $M	
		PAUC	APUC	PAUC	APUC
Original APB	Oct 1996	66.427	65.618	76.336	75.500
APB as of January 2006	Mar 2003	80.023	77.625	97.517	94.707
Revised Original APB	N/A	N/A	N/A	N/A	N/A
Prior APB	Mar 2003	80.023	77.625	97.517	94.707
Current APB	Apr 2007	80.882	77.625	98.759	94.707
Prior Annual SAR	Dec 2014	72.424	69.785	93.485	90.125
Current Estimate	Dec 2015	72.725	70.088	94.343	90.956

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY $M)									
Initial PAUC Production Estimate	Changes								PAUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
76.336	0.452	-4.889	-2.428	1.196	9.586	0.000	14.090	18.007	94.343

Current SAR Baseline to Current Estimate (TY $M)									
Initial APUC Production Estimate	Changes								APUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
75.500	0.366	-4.107	-2.402	0.000	7.509	0.000	14.090	15.456	90.956

SAR Baseline History				
Item	SAR Planning Estimate	SAR Development Estimate	SAR Production Estimate	Current Estimate
Milestone I	N/A	N/A	N/A	N/A
Milestone II	N/A	N/A	N/A	N/A
Milestone III	N/A	N/A	Jun 1996	Jun 1996
IOC	N/A	N/A	N/A	N/A
Total Cost (TY $M)	N/A	839.7	839.7	15943.9
Total Quantity	N/A	11	11	169
PAUC	N/A	76.336	76.336	94.343

Cost Variance

Summary TY $M					
Item	**RDT&E**	**Procurement**	**MILCON**	**Acq O&M**	**Total**
SAR Baseline (Production Estimate)	9.2	830.5	--	--	839.7
Previous Changes					
Economic	+4.9	+99.7	+4.1	+1.1	+109.8
Quantity	--	+11234.8	--	--	+11234.8
Schedule	--	-510.2	-4.5	--	-514.7
Engineering	+169.1	--	+26.7	--	+195.8
Estimating	+179.7	+1325.4	+154.9	+22.6	+1682.6
Other	--	--	--	--	--
Support	--	+2251.0	--	--	+2251.0
Subtotal	+353.7	+14400.7	+181.2	+23.7	+14959.3
Current Changes					
Economic	-0.4	-37.8	-0.3	+5.1	-33.4
Quantity	--	--	--	--	--
Schedule	--	+104.3	--	--	+104.3
Engineering	+6.4	--	--	--	+6.4
Estimating	-7.5	-56.3	+6.3	-5.1	-62.6
Other	--	--	--	--	--
Support	--	+130.2	--	--	+130.2
Subtotal	-1.5	+140.4	+6.0	--	+144.9
Total Changes	+352.2	+14541.1	+187.2	+23.7	+15104.2
CE - Cost Variance	361.4	15371.6	187.2	23.7	15943.9
CE - Cost & Funding	361.4	15371.6	187.2	23.7	15943.9

Summary BY 1996 $M					
Item	**RDT&E**	**Procurement**	**MILCON**	**Acq O&M**	**Total**
SAR Baseline (Production Estimate)	8.9	721.8	--	--	730.7
Previous Changes					
Economic	--	--	--	--	--
Quantity	--	+8648.3	--	--	+8648.3
Schedule	--	-264.1	-3.0	--	-267.1
Engineering	+126.2	--	+17.7	--	+143.9
Estimating	+147.1	+831.7	+128.1	+21.0	+1127.9
Other	--	--	--	--	--
Support	--	+1855.9	--	--	+1855.9
Subtotal	+273.3	+11071.8	+142.8	+21.0	+11508.9
Current Changes					
Economic	--	--	--	--	--
Quantity	--	--	--	--	--
Schedule	--	+21.8	--	--	+21.8
Engineering	+4.6	--	--	--	+4.6
Estimating	-5.8	-49.0	+4.5	-3.7	-54.0
Other	--	--	--	--	--
Support	--	+78.5	--	--	+78.5
Subtotal	-1.2	+51.3	+4.5	-3.7	+50.9
Total Changes	+272.1	+11123.1	+147.3	+17.3	+11559.8
CE - Cost Variance	281.0	11844.9	147.3	17.3	12290.5
CE - Cost & Funding	281.0	11844.9	147.3	17.3	12290.5

Previous Estimate: December 2014

RDT&E	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.4
Adjustment for current and prior escalation. (Estimating)	+0.2	+0.3
Revised estimated risk for Block 7.0/8.1 upgrade national integration effort. (Estimating)	-6.0	-7.8
Congressional add for in-flight Prop Balance program. (Engineering)	+4.6	+6.4
RDT&E Subtotal	-1.2	-1.5

Procurement	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-37.8
Adjustment for current and prior escalation. (Estimating)	+7.7	+11.1
Stretch-out of procurement buy profile by moving seven aircraft from FY 2017 - FY 2019 to FY 2022 - FY 2023. (Schedule)	0.0	+71.4
Additional Schedule variance associated with moving seven aircraft from FY 2017 - FY 2019 to FY 2022 - FY 2023. (Schedule)	+21.8	+32.9
Revised estimate for Blk 7.0/8.1 National Integration. (Estimating)	+42.8	+69.3
Revised estimate for aircraft prices based on negotiated Multi-Year II contract award. (Estimating)	-114.2	-164.1
Revised estimate based on programmatic changes (e.g. technical production support). (Estimating)	+14.7	+27.4
Adjustment for current and prior escalation. (Support)	+0.7	+1.4
Increase in Other Support due to seven aircraft buys being rephased into FY 2022 - FY 2023. (Support)	+74.0	+115.1
Increase in Initial Spares due to seven aircraft buys being rephased into FY 2022 - FY 2023. (Support)	+3.8	+13.7
Procurement Subtotal	+51.3	+140.4

MILCON	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.3
Revised estimate based on updates to Yokota beddown requirement. (Estimating)	+4.5	+6.3
MILCON Subtotal	+4.5	+6.0

Acq O&M	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	+5.1
Adjustment for current and prior escalation. (Estimating)	-3.7	-5.1
Acq O&M Subtotal	-3.7	0.0

Contracts

Contract Identification

Appropriation: RDT&E
Contract Name: C-130J - BUIC: Blk 8.1
Contractor: Lockheed Martin
Contractor Location: 86 South Cobb Drive
Marietta, GA 30063-0001
Contract Number: FA8625-04-D-6452/7
Contract Type: Cost Plus Award Fee (CPAF)
Award Date: November 18, 2011
Definitization Date: November 18, 2011

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
166.7	N/A	N/A	172.8	N/A	N/A	182.6	198.4

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the test venue change from Edwards Air Force Base to Marietta, GA and unearned award fees for periods 1 through 3. The difference is also due to increases for:
1. Block 8.1 compatibility incorporation into Color Multi-Function Display Unit Diminishing Manufacturing Sources replacement hardware;
2. Implementation of Air Mobility Command Aircraft Communications Addressing and Reporting System Standard Message Set (SMS) Version 3.2 and Barometric Vertical Navigation;
3. Block 8.1 Airline Operational Control SMS addition of crew select messaging On/Off switch and metric conversion; and
4. Block 8.1 expanded scope to add seven additional capabilities above the original ten in the Common Core program.

Contract Variance		
Item	Cost Variance	Schedule Variance
Cumulative Variances To Date (12/27/2015)	-3.5	-3.0
Previous Cumulative Variances	-1.3	-1.9
Net Change	-2.2	-1.1

Cost and Schedule Variance Explanations

The unfavorable net change in the cost variance is due to additional software development and testing.

The unfavorable net change in the schedule variance is due to additional software development and testing.

Contract Identification

Appropriation: Procurement
Contract Name: C-130J FYOC III
Contractor: Lockheed Martin
Contractor Location: 86 South Cobb Drive
Marietta, GA 39963-0290
Contract Number: FA8625-06-C-6456
Contract Type: Firm Fixed Price (FFP)
Award Date: February 01, 2006
Definitization Date: February 01, 2006

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
8.5	N/A	0	2830.2	N/A	42	2830.2	2830.2

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the addition of aircraft buys, spares, support equipment, engineering changes, Diminishing Manufacturing Sources effort and other production related efforts.

Cost and Schedule Variance Explanations

Cost and Schedule Variance reporting is not required on this (FFP) contract.

Notes

This contract is more than 90% complete; therefore, this is the final report for this contract.

Contract Identification

Appropriation: Procurement
Contract Name: C-130J FYOC IV
Contractor: Lockheed Martin
Contractor Location: 86 South Cobb Drive
Marietta, GA 39963-0290
Contract Number: FA8625-11-C-6597
Contract Type: Firm Fixed Price (FFP)
Award Date: March 16, 2011
Definitization Date: March 16, 2011

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
6.4	N/A	0	220.7	N/A	2	220.7	220.7

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the addition of aircraft buys, spares, support equipment, engineering changes, Diminishing Manufacturing Sources effort and other production related efforts.

Cost and Schedule Variance Explanations

Cost and Schedule Variance reporting is not required on this (FFP) contract.

Contract Identification

Appropriation: Procurement

Contract Name: C-130J Multi-Year II Procurement Contract

Contractor: Lockheed Martin Aeronautics Company

Contractor Location: 86 South Cobb Drive
Marietta, GA 39963-0290

Contract Number: FA8625-14-C-6450

Contract Type: Fixed Price Incentive(Firm Target) (FPIF)

Award Date: December 09, 2013

Definitization Date: December 30, 2015

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
50.8	50.8	0	1833.8	1893.7	29	0.0	1893.7

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to Advance Procurement being used to initiate the Multi-Year II contract. Upon definitization, the quantities and prices were set to the definitized amounts.

Contract Variance		
Item	Cost Variance	Schedule Variance
Cumulative Variances To Date	0.0	0.0
Previous Cumulative Variances	0.0	0.0
Net Change	+0.0	+0.0

Cost and Schedule Variance Explanations

None

General Contract Variance Explanation

Cost and schedule variances are not reported for this FPIF contract, because EVM reporting has been waived. A class deviation to exclude Defense Federal Acquisition Regulation Supplement clauses 252.234-7001 and 252.234-7002 was approved by Headquarters Air Force Materiel Command on February 13, 2014.

Deliveries and Expenditures

Deliveries				
Delivered to Date	**Planned to Date**	**Actual to Date**	**Total Quantity**	**Percent Delivered**
Development	0	0	0	--
Production	123	123	169	72.78%
Total Program Quantity Delivered	123	123	169	72.78%

Expended and Appropriated (TY $M)			
Total Acquisition Cost	15943.9	Years Appropriated	23
Expended to Date	10211.7	Percent Years Appropriated	65.71%
Percent Expended	64.05%	Appropriated to Date	12287.1
Total Funding Years	35	Percent Appropriated	77.06%

The above data is current as of February 09, 2016.

Operating and Support Cost

Cost Estimate Details

Date of Estimate: January 27, 2016
Source of Estimate: POE
Quantity to Sustain: 168
Unit of Measure: Aircraft
Service Life per Unit: 30.00 Years
Fiscal Years in Service: FY 2000 - FY 2057

There have been two C-130J aircraft lost in Afghanistan. A total of two Overseas Contingency Operations (OCO) aircraft were added in the FY 2015 and FY 2017 PBs. Both lost aircraft are included in the procurement total of 169. However, O&S costs are for 168 aircraft, which is based on C-130J's current program office estimate.

Sustainment Strategy

The C-130J ensures continued aircraft availability to the warfighter within the financial constraints defined by the owning commands and the United States Air Force (USAF) by using a Long Term Sustainment contract with Lockheed Martin, a Power-By-The-Hour engine contract with Rolls Royce, and C-130 Legacy common organic resources.

Antecedent Information

The C-130H1 and C-130H2 are antecedent aircraft. The Air Force Total Ownership Cost (AFTOC) database for the fourth quarter of CY 2015 was used to obtain costs. Costs assume a 30 year life span.

Annual O&S Costs BY1996 $M		
Cost Element	**C-130J Average Annual Cost Per Aircraft**	**C-130H1 & H2 (Antecedent) Avg Annual Cost Per Aircraft**
Unit-Level Manpower	3.000	2.693
Unit Operations	1.140	1.146
Maintenance	1.470	1.620
Sustaining Support	0.260	0.039
Continuing System Improvements	0.020	0.073
Indirect Support	0.200	0.319
Other	0.000	0.000
Total	6.090	5.890

Item	Total O&S Cost $M			
	C-130J			C-130H1 & H2 (Antecedent)
	Current Production APB Objective/Threshold		Current Estimate	
Base Year	N/A	N/A	30693.6	27388.5
Then Year	N/A	N/A	54628.0	N/A

There are no O&S cost Objective or Threshold values listed in the APB.

Equation to Translate Annual Cost to Total Cost

The unitized cost multiplied by the quantity (168) multiplied by the service life (30 yrs) equals the Total O&S cost in BY$.

O&S Cost Variance		
Category	**BY 1996 $M**	**Change Explanations**
Prior SAR Total O&S Estimates - Dec 2014 SAR	28022.4	
Programmatic/Planning Factors	-219.0	Decrease due to 2% reduction in Flight Hours (FH) per Primary Authorized Aircraft (PAA).
Cost Estimating Methodology	3844.0	Previous Year O&S estimate only included O&S years (FY2014-2053). The 2014 SAR O&S amount should have been $31,924.9 BY 1996 $M and covered O&S years (FY 2000-2057).
Cost Data Update	374.0	Higher historical data for Repair parts, common Depot Level Reparables (DLRs), higher scheduled maintenance, and software sustainment.
Labor Rate	-1565.1	Decrease due to revised manpower per PAA, decrease in military pay rates, and decrease in civilian pay rates.
Energy Rate	3.8	Increase in fuel price (per gallon) from $3.62 to $3.70 (+2%).
Technical Input	233.5	Increase in engine contractor costs.
Other	0.0	
Total Changes	2671.2	
Current Estimate	30693.6	

Disposal Estimate Details

Date of Estimate: January 27, 2016

Source of Estimate: POE

Disposal/Demilitarization Total Cost (BY 1996 $M): Total costs for disposal of all Aircraft are 6.5

The disposal cost estimate will be refined as the System Disposal Plan Annex to the Life Cycle Sustainment Plan is developed.